

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
 )  
W. R. GRACE & CO., et al.,<sup>1</sup> ) Case No. 01-01139 (JKF)  
 ) (Jointly Administered)  
 )  
Debtors. ) **Objection Deadline:** March 27, 2007,  
 at 4:00 p.m. (prevailing eastern time)

**TWENTY SECOND QUARTERLY APPLICATION OF LATHAM & WATKINS LLP  
FOR COMPENSATION FOR SERVICES AND REIMBURSEMENT OF EXPENSES AS  
SPECIAL TAX COUNSEL TO W. R. GRACE & CO., ET AL., FOR THE  
PERIOD FROM JUNE 1, 2006, THROUGH SEPTEMBER 31, 2006**

Name of Applicant: **Latham & Watkins LLP ("L&W")**

Authorized to Provide Professional Services to: **W. R. Grace & Co., et al., Debtors and  
Debtors-in Possession**

Date of Retention: **Retention Order entered June 16, 2004,  
effective nunc pro tunc from April 1, 2001,  
Order Authorizing Expansion entered  
March 27, 2006,**

Period for which compensation and reimbursement  
is sought: **June 1, 2006 through September 31, 2006**

Amount of Compensation sought as actual,  
reasonable and necessary: **\$49,194.50**

Amount of Expense Reimbursement sought  
as actual, reasonable and necessary: **\$46.58**

This is a(n)    monthly,   X   interim,    final application.

<sup>1</sup> The debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-I Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester new Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Koontenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc.), E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

**Prior Monthly Applications for the period of June 1, 2006 through September 31, 2006.**

Date Filed/ Docket No.	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses	CNO Date/ Docket No.
October 20, 2006 Docket No. 13438	June 1, 2006 – June 30, 2006	\$16,407.50	\$0.00	\$13,126.00	N/A	November 10, 2006 Docket No. 13635
October 20, 2006 Docket No. 13437	July 1, 2006 – July 31, 2006	\$16,122.50	\$35.61	\$12,898.00	\$35.61	November 10, 2006 Docket No. 13634
October 20, 2006 Docket No. 13436	August 1, 2006 – August 31, 2006	\$13,317.50	\$6.18	\$10,654.00	\$6.18	November 10, 2006 Docket No. 13633
March 5, 2007 Docket No. 14750	September 1, 2006 – September 31, 2006	\$3,347.00	\$4.79	Pending	Pending	Pending

**SUMMARY OF TIME LATHAM & WATKINS LLP  
PROFESSIONALS FOR BILLING PERIOD FROM JUNE 1, 2006,  
THROUGH SEPTEMBER 31, 2006**

Name of Attorney	Position with the Applicant	Number of Years as an Attorney	Department	Hourly Billing Rate	Total Billed Hours	Total Compensation
Nicholas J. DeNovio	Partner	18	Tax	695.00	50.1	34,819.50
Samuel B. Weiner	Partner	19	Tax	750.00	1.80	1,350.00
David S. Raab	Partner	18	Tax	825.00	1.0	825.00
P B Wheeler	Associate	1	Unassigned	285.00	31.0	8,835.00
P B Wheeler	Associate	1	Unassigned	345.00	6.7	2,311.50
<b>Total for Attorneys</b>					90.6	48,141.00

Name of Legal Assistant	Position with the Applicant	Department	Hourly Billing Rate	Total Billed Hours	Total Compensation
Elizabeth Arnold	Paralegal	Bankruptcy	215.00	4.90	1,053.50
<b>Total for Legal Assistants</b>				4.90	1,053.50

**SUMMARY OF COMPENSATION BY MATTER  
FROM JUNE 1, 2006, THROUGH SEPTEMBER 31, 2006**

Matter Number	Matter	Total Hours	Total Fees Requested
042362-0000	Federal Tax General Planning	52.4	29,244.00
042362-0001	Equitas Agreement	43.1	19,950.50
<b>Total Compensation</b>		95.5	49,194.50

**SUMMARY OF EXPENSES FOR FROM JUNE 1, 2006,  
THROUGH SEPTEMBER 31, 2006**

Description	Amount
Telephone	13.57
Photocopying	.51
Telecopying	32.50
<b>Total</b>	<b>\$46.58</b>

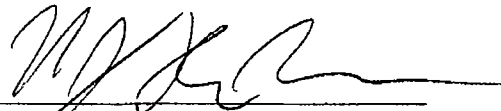
The foregoing summaries are submitted to the Court pursuant to the Amended Administrative Order Under 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members dated April 17, 2002 (the "Amended Administrative Order").

Pursuant to the Amended Administrative Order, L&W respectfully request that, for the period of June 1, 2006 through September 31, 2006, it be allowed the total amount of fees of \$49,194.50 and expenses in the total amount of \$46.58.

Washington, D.C.  
Dated: March 6<sup>th</sup>, 2007

Respectfully submitted,

LATHAM & WATKINS LLP



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